

MEMO to MAILERS

UNITED STATES POSTAL SERVICE
VOLUME 34 NUMBER 6
JULY/AUGUST 1999



POSTAL SERVICE responds to MISINFORMATION CAMPAIGN

“The Postal Service cannot let these false assertions remain unchallenged or stand as fact in the minds of the public or its business customers.”

Deborah Willhite
Senior Vice President
Government Relations

An orchestrated public relations campaign is being conducted by competitors to sway legislative and public opinion against the Postal Service. The campaign is designed to hinder the Postal Service's ability to serve its customers and compete fairly and effectively in the marketplace.

“The ultimate goal of these attacks is to drive the Postal Service out of the parcel and overnight delivery business and limit its function to delivering a shrinking pool of letter mail,” says Deborah Willhite, senior vice president, Government Relations. “This would limit consumer choice and result in unregulated price increases in the parcel delivery sector due to lack of competition.”

The campaign of misinformation has been spreading beyond Capitol Hill into state legislatures and local media. “The Postal Service cannot let these false assertions remain unchallenged or stand as fact in the minds of the public or its business customers,” says Willhite. “It's time to set the record straight.”

[continued on page 2](#)

WHAT'S INSIDE:

- 3** THE SWITCH IS ON TO PRIORITY MAIL
- 4** COMPUTERS SORT MORE WRITTEN MAIL
- 4** AIRLINE PRAISES INTERNATIONAL SERVICE
- 5** Y2K UPDATE
- 6** AIRBORNE TEAMS WITH POSTAL SERVICE
- 6** POSTAL BRIEFS
- 8** QUALITY SUPPLIER AWARDS

revisions proposed for PRIVATE MAILBOX regulations

The Postal Service has proposed revisions to its previously proposed policy changes to protect American consumers from mail fraud and safeguard the privacy of the growing ranks of entrepreneurs who operate small, home-based businesses.

“Businesses who use CMRAs (commercial mail receiving agencies) asked for more time to implement the changes and they wanted additional safeguards on the privacy of personal information tied to their businesses,” said Chief Postal Inspector Kenneth Hunter.

“The Postal Service has listened and is responding.”

“We are fine-tuning improvements we announced in March to make the nation's mail more secure,” Hunter continued, “while providing CMRAs, their customers, and the American public with the same time-tested protections now enjoyed by U. S. Postal Service post office box customers.”

A notice for public comment will be published in the *Federal Register* regarding the proposed updated policy that will prohibit release, except for law enforcement purposes, of address information of individuals who use private mailboxes or post office boxes for business purposes (pending final approval).

[continued on page 3](#)

“The Postal Service has listened and is responding.”

Kenneth Hunter
Chief Postal Inspector

It's time to set the record straight.

ASSERTION

Holding a monopoly, the Postal Service routinely generates multi-million dollar surpluses.

FACT

The Postal Service is required by law to break-even financially over time. In the 28 years since it was created to replace the Post Office Department in 1971, the Postal Service has ended the year with losses 18 times. The Postal Service is using its surpluses to pay down prior years' losses, of which \$3.8 billion remains, and to invest in necessary universal service infrastructure, such as post offices, automation and transportation.

ASSERTION

USPS has in recent years expanded services beyond mail delivery to non-postal products and services, like telephone calling cards and cellular towers, in direct competition with private sector enterprises.

FACT

The Postal Service has a 200-year history of new and innovative products and services to meet the needs of all Americans. We offer some new products, such as packaging materials as a convenience to our customers. Other new products generate added income that helps to pay for the cost of universal mail service, at affordable prices, without the support of federal tax dollars. We market stamp art, such as collectible stamp art phone cards, to generate extra revenue. Since the Postal Service alone can market stamp art, there is no direct competition with the private sector. And the cellular tower partnership has been terminated.

ASSERTION

The Postal Service has used surplus revenue from First-Class

postage to expand into non-postal operations, increasing operating costs and adversely affecting the quality of mail service.

FACT

The quality of mail service has never been higher. The Postal Service uses net income from all products to invest in universal service infrastructure and to pay down prior years' losses. Over the past several years, we have used the surpluses to invest in capital improvements and, at the same time, improve service performance to record levels.

ASSERTION

The Postal Service has marketplace advantages over the private sector and keeps artificially low prices through illegal cross-subsidies from First-Class revenue, thereby forcing competitors to set unrealistically low prices.

FACT

This is a lie that Postal Service competitors have spread in an effort to undermine our credibility with the American people and justify legislative efforts to undermine our competitive position. In addition to it being against the law, this lie has been investigated by the General Accounting Office (GAO), the Postal Rate Commission (PRC), and our own Inspector General (IG). All of these investigations have concluded that the Postal Service does not use monopoly revenues to subsidize other products or services. The Postal Service is a not-for-profit organization that is required to serve everyone, everywhere, everyday, at affordable prices. Private sector competitors operate to maximize profits. Our prices are set at lowest possible levels, resulting in downward pressure on competitors' prices. Without postal competition, delivery costs to American consumers would be dramatically higher. Private sec-

tor competition can provide favored, large-volume customers with rates lower than the Postal Service's, while charging residential and small business customers higher prices.

ASSERTION

The Postal Service enjoys marketplace advantages as a government agency that exempt it from state and local taxes, fees and government regulations, and that deprives state and local governments of needed revenue.

FACT

The Postal Service is required to maintain a universal service network throughout the nation, regardless of cost and without the support of federal tax dollars. Nearly half of all post offices operate at a loss, hardly a market-place advantage, and virtually all small post offices are leased, not owned. The owners of the property the Postal Service leases pay the same state and local taxes and fees that all private sector businesses pay. Many large corporations, such as UPS, force state and local governments to compete against each other by demanding special, expensive tax abatements and other benefits in exchange for locating a facility within their communities and states. All of our employees pay federal, state and local taxes, and we are in every county in the country.

ASSERTION

The Postal Service is accountable to no agency or branch of the federal government other than the Postal Rate Commission, which does not have substantial control over its activities.

FACT

A Presidential-appointed Board of Governors, who are confirmed by the U.S. Senate, directs the Postal Service. By law, the Postal Service is subject to substantial oversight by two

committees in the U.S. House of Representatives and two committees in the U.S. Senate. Our banking, borrowing and investing practices are overseen by the U.S. Department of the Treasury. Few, if any, enterprises are given the same scrutiny as the Postal Service. We are the subject of nearly constant review by the GAO, the Congressional Research Service and the USPS IG, as well as public and private research groups and think tanks. Unlike its competitors, postal rates are established in a public process at the Postal Rate Commission, which allows private sector competitors to influence postage rates in order to increase their profits. The rates established in this process can ultimately be challenged by dissatisfied parties in federal court. UPS is currently in court challenging our most recent rate hikes. They are attempting to drive our rates up.

BOTTOM-LINE ASSERTION

The Postal Service is doing many bad things that are not in the best interests of the American people.

FACT

The Postal Service has improved service and financial performance substantially. It offers the American people and business affordable alternatives to profit-minded private sector competitors and continues to provide service to every address in America. The Postal Service has a 1998 national public approval rating of over 80 percent, one of the highest ratings of any organization in the United States. Our major competitors are doing quite well financially and are seeking to further dominate the market by eliminating the Postal Service's competition. This anti-competitive action would only lead to higher prices for businesses and consumers. ■

Companies in the Lone Star State are discovering the value of Postal Service mailing solutions. They are switching from other carriers to Priority Mail and reaping the cost benefits.

ONION GROWER'S SWITCH PUTS TEARS IN COMPETITION'S EYES

Dixondale Farms, near San Antonio, TX, grows and ships onion bulbs. Customer Service Representative Peggy Tripp worked up a business plan for them showing how switching to Priority Mail could save them more than thirty percent on their shipping costs.

The company was most pleased with the customized Priority Mail cartons they were given, with the return address printed on them and one-inch ventilation holes for the onions. "Customers have complimented them on the new packaging," Tripp says, "and they have been extremely pleased with the service we've provided them."

Tripp also worked with them on getting their mailing list CASS (Coding Accuracy Support System) certified. Once the list was cleaned up, Dixondale moved its catalog shipments from Standard A to First-Class delivery to improve response rates.

the SWITCH is ON

TEXAS BUSINESSES DISCOVER THE VALUE OF PRIORITY MAIL.

THIS DEAL IS DIRT CHEAP

With a name like Cheaper Than Dirt, you know that this is a company that knows a bargain when it sees it. The Ft. Worth sporting goods discounter found that the Postal Service gave them a better business solution than their previous shipper, UPS, says Account Manager Rita Pacheco.

The company ships 800,000 catalogs per month, in addition to goods and letter mail. Thanks in part to Postal Service-provided custom packaging, Cheaper Than Dirt switched to Priority Mail for all of their shipments under 5 pounds. A daily pickup was also arranged.

Customer service representatives consulted with Cheaper on a shipping system to use with Delivery Confirmation. The system is integrated with the firm's customer ordering system to match

the Delivery Confirmation barcodes with individual customer records. To simplify accounting procedures, the system also creates an electronic manifest of what is shipped, requiring only one payment to be made.

PRIORITY MAIL SERVICE PUMPS THEM UP

2Extreme Performance International of Dallas markets vitamins, sports drinks and food supplements. Their shipping is 100 percent residential, and 90 percent of their parcels are under five pounds, making Priority Mail an obvious choice for them.

Account Representative Dawn Caston showed the firm how Priority Mail would give them faster delivery at less cost than UPS Ground. Unfortunately, the manifesting software 2Extreme purchased couldn't be integrated with their other software.

Caston worked with Keith Carter, an account executive with Tactical Marketing Sales and Development, on a plan to send 2Extreme's promotional kits out under a permit imprint. Since the kits were all the same weight, the shipments could be weight-verified on site and sent directly to the Priority Mail Annex. Free custom Priority Mail packaging was icing on the cake, and 2Extreme found the deal too sweet to pass up.

If you're interested in making the switch to Priority Mail, contact your local district business office or your postmaster. ■

PRIVATE MAILBOXES

continued from page 1

In the interim, postal employees will not release to the public any information from Form 1583, "Application for Delivery of Mail Through Agent."

Based on an agreement reached with industry representatives, the Postal Service has agreed to do the following:

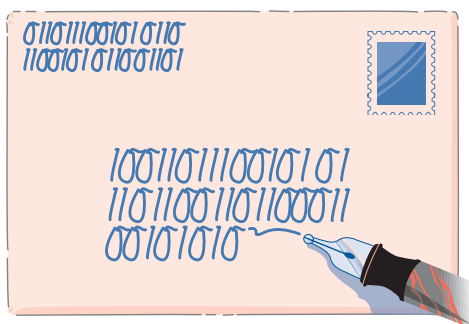
- Provide an additional six months — until April 26, 2000 — for CMRA customers to include PMB, for private mail box, in their mailing address;
- Reemphasize that acceptable forms of identification do not include social security numbers and credit cards.

The CMRA regulations, developed with the support of consumer groups, the law enforcement community and the mailing industry, are consistent with Code of Federal Regulations provisions pertaining to post office boxes and fully comply with the Privacy Act.

A notice for public comment on the proposed changes will be published in the *Federal Register*. ■



Customer Service Representative Peggy Tripp (right) showed Dixondale Farms how switching to Priority Mail could save them 30 percent on their shipping costs.



more **HANDWRITTEN MAIL** to be sorted by **COMPUTERS**

"This contract pushes the envelope of the Postal Service's world-leading mail processing technology and marks another milestone in our readiness to deliver for America in the next millennium."

PMG William J. Henderson

The Postal Service Board of Governors approved funding for hardware and software upgrades that will enable as much as 80 percent of hand-addressed mail to be processed by Remote Computer Readers (RCRs) by 2001.

Engineering Vice President William Dowling pointed to the success of prior RCR improvements, noting, "We have exceeded our target sooner than expected and are ready to move forward."

The contract for the computer hardware and software was awarded to Lockheed Martin Postal Systems of Oswego, NY.

"This contract pushes the envelope of the Postal Service's world-leading mail processing technology and marks another milestone in our readiness to deliver for America in the next millennium," said Postmaster General William J. Henderson.

This marks the third upgrade since 255 RCRs were deployed nationwide in July

1997. RCR handwriting recognition rates have improved dramatically, from 2 percent in 1997 to the current 53 percent.

Prior RCR upgrades have resulted in significant savings to the Postal Service:

- Reduction of 12 million work hours annually
- Labor savings of over \$340 million annually
- \$31 million in labor savings during Christmas 1998 alone

Dowling praised efforts of the academic community and private industry for helping drive breakthroughs in mail processing technology.

"We have also seen a significant improvement in the ability of our Multi-line Optical Character Readers (MLOCs) to resolve handwritten and machine addresses," Dowling added.

RCRs process mail that cannot be resolved by the MLOCs. The RCR program was originally initiated to automate the sorting of poorly printed "machine" addresses. The newest upgrade is expected to increase the recognition rate for machine addresses as well.

Deployment of the RCR upgrades is scheduled to begin in August, with all upgrades to be completed by February 2001. ■

International service **FLYING HIGH** for American Airlines

American Airlines has found the Postal Service's international mail service to be to their communication solution for AAdvantage, the airline's travel awards program. Many special promotions are planned around quarterly international mailings, making timely delivery crucial to the program's success.

Linda Wright, promotion specialist for the program, says, "We currently mail to almost 700,000 international addresses quarterly, so an efficient, cost-effective delivery service is vital."

American Airlines found that service in a combination of International Priority Airmail (IPA)

and International Surface Airlift (ISAL). Until 1993, the airline used remailer firms to deliver its international mail, but delivery delays at foreign hubs caused international customers to complain of missing promotional opportunities.

A Postal Service International Customized Mail agreement (ICM) was tailored to meet the airline's needs. The agreement was designed for American Airlines' specific mailing patterns and volumes using IPA and ISAL.

"With this type of agreement, we are able to communicate with our international customers in a timely and cost-effective manner," Wright said.

Wright adds, "We anticipate continuing this agreement for years to come. We have found Postal Service representatives to be very helpful and very customer service oriented. Deliveries to our customers more than meet our expectations for reliability, and the Postal Service is less expensive than the alternatives."

IPA service has been extended to every post office that accepts bulk mail and synchronizes with ISAL to make it easier for customers to use both services. Through negotiations with foreign postal administrations, IPA rates decreased in April. Discounts range from 5 to 15 percent, depending on volumes shipped the previous year. ■

Moving into the Future— Together!

Y2K

Today's Postal Service relies on the most advanced automated processing systems to handle more than 40 percent of the world's mail. While that figure is significant, we recognize that no mail is more important than yours. With that in mind, the Postal Service, as a responsible business partner, is devoting significant resources to meeting its Year 2000 readiness goals. It's important to us that the services you rely on to support your business and your customers are ready for you when we enter the new year. Whether it's payment systems, address products, retail services, or processing and delivery, we are working hard to make sure that you can depend on us — not only today, but far into the future.

USPS REMEDIATION SYSTEM NEARS COMPLETION

One of the three linchpins of our Year 2000 efforts is the remediation — or repair — of our mission-critical systems. Currently, 95 percent of these systems have been remediated. With more than 100 million lines of computer code supporting our systems, this has been a huge task, but it's one we expect to be complete this summer.

MAIL PROCESSING TESTING A SUCCESS

An important part of our remediation efforts is simulation testing. For critical mail-processing systems, the latest round of tests at the Atlanta Bulk Mail Center and the Tampa Processing and Distribution Center scored a solid "A." In addition, the Tampa tests took us forward significantly, using live mail in an actual Year 2000 operating environment, from entry right on through to processing and delivery. As Tony Kuester, Manager of Systems Services for Engineering, explained, "We put the mail in the front door and it came out the back door, properly sorted, labeled

Our commitment
to meeting the Year
2000 challenge is
about making sure
our systems support
your mailing needs.

and bundled." Testing looked at the December 31–January 1 date change and next year's "Leap Day," February 29, as well. Also testing successfully was the Centralized Forwarding System, which is extremely date-sensitive.

OUR SUPPLIERS ARE LOOKING GOOD!

Like everyone else, the Postal Service relies on outside providers of goods and services to support its operations. These include air and surface transportation, utilities and telecommunications. Our assessment of 271 key national suppliers indicates that more than 95 percent of them are now — or will be — Year 2000 ready. Our supplier management office is continuing to pursue information about the others.

HELPING US TO HELP YOU

Our commitment to meeting the Year 2000 challenge is about making sure our systems support your mailing needs. And

you can help by telling us about your end-of-the-year mailing plans. Are you expecting to mail earlier or later than usual? Will there be any mail-preparation changes? Will the size or shape of a mailing change? Will you be depositing your mailings at different or additional entry points?

We appreciate your cooperation in sharing mailing information with your Postal Service National Account Manager. By knowing what we can expect, our own operational preparations can better reflect the needs of mailers.

TRUST YOUR TRUST ACCOUNTS

Postage-payment systems are among the most important we are addressing. Not only do we want to see that your money is not at risk, it's also important that we maintain the income necessary to support postal operations.

The following payment systems have been remediated, certified and independently verified:

- **PERMIT**
- **CAPS:** Centralized Automated Payment System
- **MATS:** Meter Accounting and Tracking System
- **NMATS:** National Meter Accounting and Tracking system
- **CMLS:** Centralized Meter Licensing System

For the status of other systems, please check our web site, www.usps.com/year2000. We'll be updating it regularly.

QUESTIONS OR COMMENTS, NEED INFORMATION?

We want to hear from you.

You can fax your questions to our Year 2000 Clearinghouse at: 202-268-8748, or contact us by e-mail at: year2000@email.usps.com. ■

POSTAL SERVICE and AIRBORNE EXPRESS team up for RESIDENTIAL DELIVERY

**“By combining
their operation with
the single largest
residential delivery
network in the
world, Airborne will
be able to offer
delivery service to
the residential
market in a
competitive way.”**

John Kelly
Vice President
Expedited/Package Services

**AIRBORNE
EXPRESS**

Mailers know that the Postal Service has the most efficient and cost-effective delivery system to the American household. Now, another shipper has recognized that value and is integrating postal delivery with its system.

Through a unique relationship with the Postal Service, Seattle-based Airborne Express will begin testing an economical residential delivery service for its business customers called Airborne@Home.

Airborne will transport its Airborne@Home shipments within two days to one of 24,000 Postal Destination Delivery Units (DDUs) using its extensive truck hub network. The Postal Service is expected to deliver the shipments the next day.

The result will be a reduction in transit times by up to 60 percent over alternative services. Airborne@Home shipments, like air express shipments, may be tracked by customers, alerting them to the status of their shipments from the moment of pickup to Airborne's delivery to the Postal DDU. In addition, Airborne can save almost 50 percent on its shipping costs.

“This is great news for Airborne Express customers,” says

John Kelly, vice president of Expedited/Package Services for the Postal Service. “By combining their operation with the single largest residential delivery network in the world, Airborne will be able to offer delivery service to the residential market in a competitive way.”

With the growth in e-commerce, there has been a corresponding growth in business-to-residential deliveries. Airborne is introducing the new Airborne@Home service for companies that ship large numbers of packages to residences — such as online book-sellers or mail-order electronics companies. The company will begin testing the service with a few large customers this month and plans to bring it into most residential areas a few weeks later.

According to a report by Merrill Lynch, retail sales on the Internet are expected to grow by 75 percent over the next three years to \$75 billion. Recent surveys show that 32 percent of those who make purchases over the Internet use the Postal Service for delivery. ■

LEWIS TO SPEAK AT MAILING FORUM

Executive Vice President and Chief Operating Officer Clarence Lewis Jr. will be the keynote speaker at Midwest Mailing Forum (MMF) '99, to be held September 14 and 15. The MMF will be at the Earle Brown Heritage Center in Brooklyn



Clarence Lewis

Center, MN, and is co-sponsored by the Twin Cities Postal Customer Council and the St. Paul and Minneapolis post offices. Lewis will share his views of the Postal Service as we approach the millennium.

Midwest Mailing Forum '99 is the region's most comprehensive mailing conference and exhibit hall. Early-bird registration for the two-day conference is only \$99. After August 1 the two-day fee is \$125. The single-day registration is just \$65. For more information on registration or reserving an exhibitor booth, please call 651-293-3100.

BUSINESS REPLY MAIL EXPERIMENT EXTENDED

The experiment to test an alternative accounting method for non-letter-size Business Reply Mail (BRM) has been extended. The request for an extension for the classification and fees for weight-averaged nonletter-sized BRM experiment was approved by the Postal Rate Commission and the Postal Board of Governors. The bulk weight averaging method reduces the amount of time used to manually count, weigh

and bill nonletter-size BRM using statistical sampling.

There is a \$600 monthly maintenance fee and an accounting fee of one cent per piece. Any firm that enters the test must receive at one site a yearly average volume of 100,000 or more of non-automatable, nonletter-size BRM pieces eligible for the current eight cents per piece fee. This excludes letter-size pieces which qualify for Qualified Business Reply Mail rates and fees. No more than 10 advance deposit account holders will be selected for the experiment.

Reply mail recipients who wish to participate in the test must submit a written request to:

Manager, Mail Preparation
and Standards

Postal Service Headquarters
475 L'Enfant Plaza SW
Room 6800

Washington, DC 20260-2405

The request must include sufficient support information to make an initial determination.

GPM SHOWS DOUBLE-DIGIT GROWTH

Global Priority Mail continues to show double-digit growth over the same period last year. Year-to-date figures show a 47 percent increase over Fiscal Year 1998 figures. Year-end figures are expected to surpass this year's goal and exceed last year's figures by 20 percent.

GPM FLAT RATE BOX ELIMINATED

With the recent changes in international rates, the single piece Global Priority Mail Flat Rate Box option has been eliminated. Customers may still use the cartons, but they will be charged at the variable rate. There are two other variable weight options: the Global Pri-

ority Mail Sticker and the Tyvek envelope. The weight limit for all GPM items is still four pounds. See section 226 of the International Mail Manual for more information.

INTERNET BOOSTS MAIL ORDER SALES

Steady growth in mail order sales was boosted by sales over the Internet, a study by the Papercom Alliance shows. The Alliance is a paper and mail industry group. The 1998 Guide to Mail Order Sales shows that Internet sales came in addition to, not at the expense of, general mail order growth.

According to the report, total mail order sales grew by 10 percent in 1998 to \$358.8 billion. Consumer and business Internet-related mail order sales amounted to \$15.1 billion. Growth from traditional mail order sources, excluding Internet-based sales, was 7.91 percent. Per capita mail order sales totaled \$685 per person.

TAE-BO KICKS IN WITH PRIORITY MAIL

Brian Unlimited Distribution Company (BUDCO), the fulfillment house for the popular Billy Blanks Tae-Bo exercise video, decided Priority Mail would be the best mailing option for timely delivery. A team effort in the Detroit District showed the company the value the Postal Service can provide.

Over 750,000 videos have already been shipped, with a projected 3 million to be mailed through 1999. Priority Mail service and special packaging saved BUDCO several hundred thousand dollars.

Value-added solutions created for BUDCO included warehousing at a Priority Mail Processing Center (PMPC) and transportation at no extra cost.

"BUDCO is growing so fast, they had no place to store the special Priority Mail cartons," says Senior Account Manager Richard Manus, "so we staged the cartons in trailers at the PMPC." Pickups are made daily from BUDCO's onsite Detached Mail Unit to the PMPC.

"BUDCO is following up with a 1 million-piece direct mail campaign for the video," adds Manus. The company is also applying for Delivery Confirmation and may use Merchandise Return for returned packages.

ONLINE MAILING LISTS AVAILABLE TO SMALL BUSINESSES

An Internet service is now available that will allow small businesses to gain access to targeted, self-selected business and consumer data for their direct mailings. Historically, small businesses trying to order mailing lists encountered large minimum order requirements and incompatible file formats. A new Internet service, MyProspects.com, allows small businesses to select as few as 100 customer or business listings on the Web and provides the data for downloading within minutes in standard formats. Users can identify prospects based on geographic, demographic and business criteria from over 13 million business listings and 180 million consumer records. This will allow smaller businesses to use targeted marketing techniques such as Direct Mail long used by larger companies.



MEMO to MAILERS

Volume 34 Number 6

Editor
Gerald Kreienkamp

MEMO to MAILERS
is published by U.S. Postal Service
Corporate Relations.

USPS eagle symbol and logotype are
registered marks of the United States
Postal Service.

Send address corrections and
subscription requests to:

MEMO TO MAILERS
NATIONAL CUSTOMER SUPPORT CENTER
US POSTAL SERVICE
6060 PRIMACY PKWY STE 201
MEMPHIS TN 38188-0001

Send stories, photos and editorial
suggestions to:

EDITOR
MEMO TO MAILERS
US POSTAL SERVICE
475 L'ENFANT PLAZA SW RM 10541
WASHINGTON DC 20260-3100
fax: (202) 268-2392
e-mail: mmailers@email.usps.gov

On-line services:
www.usps.com
ribbs.usps.com
PCC website: <http://www.national.pcc.usps.com>
Direct Mail Kit: (800) THE-USPS x 2110



Address Service Requested

QUALITY SUPPLIER AWARD WINNERS announced

THE 1999 QUALITY AWARD WINNERS

Small Business — Operational Services

Australia-New Zealand Direct Line, Santa Ana, CA
Ocean Transportation

Biscayne Contractors, Inc., Forestville, MD
Facilities Construction Services

Small Business — Professional & Consultant Services

Merrick & Co., Aurora, CO
Architecture/Engineering Services

Small Business — Manufacturing

Ashton-Potter (USA), Ltd., Williamsville, NY
Printing Postage Stamps

Large Business — Operational Services

Kitty Hawk Airlines, Dallas, TX
Air Transportation Services

Marriott International, Inc., Washington, DC
NCED Housing Facility Operation, Norman, OK

Large Business — Professional & Consultant Services

SRA International, Fairfax, VA
Information Technology & Systems Integration Services

Large Business — Manufacturing

Compaq Computer Corp., Houston, TX
Computer Products & Services, Technical Support

Postmaster General William J. Henderson presented eight companies with 1999 Quality Supplier Awards in a ceremony at Postal Service headquarters.

Firms must have earned more than \$400,000 during the last fiscal year to be eligible for the Quality Supplier Award. The nominees then go through a rigorous seven-step evaluation process. Mirroring the Malcolm Baldrige National Quality Award process, a small team of postal evaluators reviews each application, talks to Postal Service key customers and purchasing individuals most familiar with the

supplier and concludes with an on-site visit to the firm.

"In the 10 years of the Quality Supplier Award, we have given 112 awards to 73 outstanding firms," said Henderson. He also noted that the competition is fierce because the Postal Service awarded more than 40,000 contracts in 1998 that were valued at over \$6.4 billion.

"For the Postal Service to carry out its mission of providing fast, reliable, universal mail services for the nation, we must have top notch suppliers, and these are the best of the best," Henderson concluded. ■



Postmaster General William Henderson (l) and Keith Strange (r), vice president, Purchasing and Materials, present John Marriott, senior vice president, Marriott International, Inc., with one of the Quality Supplier Awards.